



TERM SHEET FOR REFINANCING AND ASSUMING SUBORDINATE HTFC/HFA DEBT WITH OR WITHOUT AN OWNER DISTRIBUTION COMPONENT

This term sheet does not constitute an offer and is solely for discussion purposes. This term sheet shall not be construed as creating any obligations on any party whatsoever, and shall not be binding on any party unless the conditions contained herein are satisfied and the terms of the proposed refinance are contained within definitive documents which are negotiated, executed and delivered in connection with the closing of such loan.

Table with 2 columns: Category (Eligible Uses, Eligible Applicants, Area Median Income Restrictions, Conditions) and Description. The Conditions row contains a bulleted list of requirements and an 'Exceptions' section.

Regulatory Agreement Requirements	Replacement reserves capitalized and/or annual funding set at a level approved by HCR to account for 10-year capital needs identified in IPNA. Operating Reserve requirements set at 3% of the annually budgeted gross rent. Should the first position lenders reserve requirements conflict, their terms shall prevail to avoid duplication of deposits. Any existing right to request a Qualified Contract will be waived by the owner and removed from the existing Regulatory Agreement.
Term	Minimum of additional 20 years of regulation from original date of closing, extended use period (whichever is applicable) or may extend through the new mortgage period in combination with cash-out refinances and changes in ownership.
Application Fees	<p><u>HTFC Fees:</u></p> <p>\$1,000 at refinancing package submission.</p> <p>\$6,000 payable at closing.</p> <p><u>HFA Fees:</u></p> <p>\$7,000 Due diligence/application fee.</p> <p>\$5,000 Rebate calculation fee.</p> <p>\$5,000 Bond Counsel fee.</p> <p>For 4% bond redemptions-loan assignments and assumptions please refer to the HFA regulatory agreement regarding applicable fees.</p> <p>Assignment of the existing NYSHCR/HFA mortgage to a new lender. Agency policy is to charge half of the mortgage recording tax for the County in which the Project is located.</p> <p>** Please be advised this may not be inclusive of all the applicable fees as outlined in HCR’s loan documents and regulatory agreements.</p>
Monitoring Fees	As outlined in the Tax Credit Regulatory Agreement/ Mortgage and Security Agreement or comparable to the current mortgage servicing fee (HFA projects only), if applicable. One-year upfront monitoring fees must be paid at closing – HFA projects only.
Interest Rate and Loan Terms	HCR’s preference is for the HTFC subordinated debt to have a 0.5% interest-only hard payment during the construction and permanent periods. For projects with existing soft pay subordinate debt, the owner may request switching to interest-only payments. HCR will also allow pre-payment of the balance of interest through the term or bifurcation to meet LTV lender requirements. Requests will be evaluated on a case-by-case basis and are at HCR’s discretion.

HCR retains the right to revise this term sheet from time to time and to waive any requirement contained therein, subject to the applicable statutes and program regulations. HCR also retains the right to not approve refinancing under this program. All proposals must comply with all applicable federal, state, and local laws.